



FY2024 – 2025 Continuum of Care (CoC) Notice of Funding Opportunity (NOFO) and Local Process Highlights

Subject

The U.S. Department of Housing and Urban Development (HUD) release of the Notice of Funding Opportunity (NOFO) for Fiscal Years 2024 and 2025 Continuum of Care Competition and Renewal or Replacement of Youth Homeless Demonstration Program (YHDP) Grants.

Key Dates

HUD released the [CoC and YHDP Renewal Notice of Funding Opportunity](#) (NOFO) on July 31, 2024.

For the first time, this NOFO includes two years, FY2024 and FY2025. This does not mean that applicants will be applying for two years' worth of funding. It means that the CoC will prepare and submit a regional application describing the CoC and its progress in 2024 but not in 2025. Agencies will need to submit projects in each year, however, the 2025 renewal applications will import information from the 2024 applications in E-Snaps. More information will be provided in the Detailed Instructions guides prepared by HUD.

Local Timeline – Both HUD and the local process have multiple due dates. For processes such as providing an intent to submit form; submitting a series of verification documents; and application narratives and required attachments; etc. Please watch for and refer to [the local timeline](#) for details.

As in past years, the CoC must receive all proposals for new or renewal projects no later 30 days in advance of the HUD due date. Additionally, all sections of the application and required attachments will be posted to the RTFH website no later than 2 days prior to the HUD due date.

For the 2024 Application, to earn all points, all sections of the application and required attachments must be posted on the RTFH website no later than 5:00 PM, Pacific Time (7:59:59 PM Eastern) on October 28, 2024. The local process will require applications and all required attachments to be submitted to the CoC NOFO Dropbox at least 30 days in advance. Please see local timeline for more detail.

Although many of the NOFO instructions are similar to last year, there are new definitions, initiatives and priorities referenced this year. Please refer to the section titled, "*Comparison with the FY2023 NOFO*" found below.



Funding Categories

Category	Amount (estimated, pending verification of PPRN RPRN)	Description
Annual Renewal Demand (ARD)	\$35,566,178	Funds needed to support all eligible renewals, expiring in calendar year, 2025.
Youth Homeless Demonstration Program Renewal Projects (YHDP)	\$4,099,926	Funds reserved for YHDP renewal or replacement projects (included in ARD above)
Base ARD	\$31,466,252	Renewal ARD Funding minus YHDP Set aside.
Tier 1	\$28,319,627	Maximum funds Available in Tier 1 (90% of ARD minus YHDP)
Planning Grant Funds	\$1,500,000	Funds reserved for Collaborative Applicant Planning Grant Application (5% of ARD). \$1.5 Million cap
CoC Bonus Funds	\$4,267,941 (estimated)	Maximum funds for CoC Bonus Projects to serve Chronic or Dedicated Plus homeless persons. (12% FPRN)
Domestic Violence Bonus Funds	\$5,000,000 (estimated)	Maximum funds allowed for new projects 100% dedicated to DV. (15% of Preliminary PRN)
Reallocation	TBD	Funds made available by local decision-making processes, currently included in ARD.

Comparison with the FY 2023 NOFO

General Information

- The application and selection and application process for FY 2024 funds will proceed much like it did in 2023.
- CoCs are only required to submit one CoC application that will be applicable to both FY 2024 and FY 2025 funds.
- HUD reserves the right to award available FY 2025 funds based on this NOFO competition.
- If new competitive funding becomes available for FY 2025, this NOFO may be amended, and the FY 2024-2025 CoC Application and score may be used for the application selection process.
- If FY 2025 appropriations are not able to fully fund all FY 2025 renewal grants, grant amounts may be reduced proportionately.

Tier 1 Maximum

The maximum value available for projects in Tier 1 is 90% of the ARD, minus the total YHDP renewal value. This is lower than the 93% used in 2023.

CoC Bonus Project Funding

The 2024 NOFO allows CoCs to apply for up to 12% of their Final Prorata Need (FPRN or ARD) for CoC Bonus projects. This is an increased allocation of 5% over 2023.

DV Bonus Funding

The FY2024 NOFO application allows for up to 15% of the CoC's Preliminary Prorata Need (PPRN) for new or expansion project applications committed to serving only households qualifying under the domestic Violence (DV) definition. 100% of the new project is restricted to qualified DV households. The DV Bonus is an increase of 5% over last year.

CoC Planning Grant

The RTFH as the Collaborative Applicant can submit a CoC Planning Grant Application for up to 5% of the ARD. This allocation is capped at \$1.5 million. This is the same as 2023.

Executive Order #12372 Intergovernmental Review

The CoC Program is not subject to E.O. 12372 in 2023. Previously, the program was subject to this E.O. but was not selected for review. This is the same as last year.

Homeless Definition

Category 4 of the Definition of Homelessness recognizes the statutory changes associated with the 2022 Reauthorization of the Violence Against Women Act Reauthorization (VAWA). The 2024 NOFO applies the revised definition to all references to 'homeless' for all purposes. The revised definition was provided during VAWA training. Agencies are reminded that to implement the new definition, updated policies and standards are needed to reflect the new criteria.

VAWA Eligible Activities - Compliance and Facilitation

As noted during the CoC Violence Against Women Act Reauthorization (VAWA) training, HUD allowed new VAWA budget line items (BLI) to be included in the 2023 Application. This continues in 2024. Renewal Project Applicants wishing to use the VAWA BLI can request these in the Project Application. For renewal projects that are funded through DV Bonus funds, or declare victims of violence as a primary population, HUD is expected to automatically select an option to use funds for the VAWA eligible activities for households who qualify which would continue their action from 2023.

Applicants can also request a project expansion (which is a new project) to add funding for these activities.

YHDP Renewals

CoCs have special instructions for handling YHDP renewal projects. The NOFO offers new definitions and a new category for reallocating or changing existing YHDP renewal projects. Like last year, YHDP Renewal projects will be reviewed and scored but will be placed in a special category rather than being 'ranked' in the Priority Listing.

YHDP Projects

The 2024 process for listing YHDP projects will be similar to the 2023 process. YHDP projects will be listed separately from Tier 1 and Tier 2 however, will be reviewed and listed in accordance with their respective reviews. The list will include renewal, replacement, and reallocation projects as applicable.

Policy and Priority Updates

Employment

HUD has added a new Homeless Policy Priority to the CoC Program Competition that recognizes the challenges and encourages CoCs to work with funders and stakeholders to improve pay and support for people who work in the homelessness sector. The policy is listed under *Building an Effective Workforce*. Providers need effective, well-supported staff to provide high quality assistance. To address this need, the NOFO includes a cost of living adjustment for supportive service activities and other staffing-focused budget lines. HUD also encourages CoCs to work with their funders and other community stakeholders to improve pay and support for people who work in the homelessness sector.

Cost of Living Adjustments for Conditionally Selected Grants.

HUD is authorized to make reasonable cost of living adjustments to renewal amounts, which could help

organizations afford the increasing cost of operations due to inflation. In prior years, HUD has adjusted the rental assistance and operations allocations to reflect changes in Fair Market Rent. It appears that in FY 2024 HUD may also adjust amounts for the supportive services and HMIS Costs budget lines for renewing projects based on the most recent three-year average of changes in State Quarterly Census of Employment and Wages (QCEQ) for the category Social Assistance. HUD will apply the adjustments during the selection and provisional award process, not by a change in budget from the project applicant.

Local Process Notes

Housing First

HUD continues its investment in core strategies such as Housing First, affirmatively pursuing Fair Housing, partnering with housing and healthcare resources, cost effectiveness, full utilization of funds, improving services for underserved groups (for example: LGBTQ+, BIPOC), employment of Persons with Lived Experience, promoting environmental justice, fostering equity, benefit to the CoC system, and improvement on seven (7) system performance measures. Each of these items will be included in the local review process. The R&R annual process continues to include adjustments to the scoring benchmarks.

New for FY 2024, Project Applicants will complete the [HUD Housing First Self-Assessment tool](#) and submit it as part of the application process. The completed tool generates a score which will be translated into points for the project Scorecard.

Furthering Equity & Supporting Underserved Communities

As part of the 2023 CoC Application process, Applicants committed to up to five (5) actions intended to promote equity in serving all persons who are unsheltered or at risk of homelessness. The letter of commitment included making sure evidence of actions taken is retained for review by the CoC. The 2024 CoC Rating and Ranking Process (R&R) will be reviewing the commitments and associated evidence. The 2024 application process will include an updated report form for the Furthering Equity actions and self-assessment for Renewal Applicants. Brand New Applicants will be required to commit to up to five (5) actions intended to promote equity in serving all person who are unsheltered or at risk of homelessness. The letter of commitment template will be found on the [RTFH website](#).

Performance Improvement Plans

The 2022 CoC Rating and Ranking process introduced the “Performance Improvement Plan” requirement. The 2024 process will review information relevant to the PIP and will make recommendations for which projects (those subject to PIP in 2022 and applications for 2023) will be required to engage in the PIP, as well as any funding allocation impacts. The PIP Policy includes potential reallocation of funds for projects that needing to file and report on two consecutive PIPs. The FY2024 R&R process will review progress and determine the appropriate level of reallocation.

Chronic Underspending Reallocation Policy

The FY2023 R&R process implemented the *Chronic Underspending Reallocation Policy* that established criteria and guidelines for realigning (right-sizing) project-level allocations with the project’s history of use of funds. HUD reports on expended and recaptured for CoC-funded projects are used to assess the level of funds returned by an organization’s projects. When a pattern of under-utilization of funds is observed, the CoC must take action to ensure that funds stay within the CoC and are not returned to HUD. This policy continues in 2024.

Communication

Renewal Agencies and Prospective Applicants are reminded that official NOFO notices and other key information are posted on the RTFHSD.org website. You are strongly encouraged to frequently check the website for updates. Each organization identifies two points of contact for communications during the local R&R process.